CHAIR JAMES: Now, I will remind Commissioners again what they have in front of them. Based on the staff’s review of the documents from our April 7th through 8th meeting, they have identified 1 through 5 as potential consensus recommendations. And then we have recommendations from individual Commissioners that have come in at various times.

With that, I will start with 4.1.

COMMISSIONER BIBLE: That would seem to be part of the research agenda.

CHAIR JAMES: Can we table that one until we do the research? That would be fine?

COMMISSIONER BIBLE: It looks to me, Madam Chair, 1, 2, 3, 4, and 5, that only 2 is the one that we would need to discuss. The rest we’ve handled otherwise or are in the research calendar.

CHAIR JAMES: I think that’s a good suggestion. That takes us to 4.6, if there is no objection.

COMMISSIONER WILHELM: 4.3 can be dumped because it’s one of the things we passed earlier from Leo, right?

CHAIR JAMES: Yes. 4.3 goes. We’ve already addressed that. Follow this carefully. 4.3 has already been addressed, so that leaves 1, 2, 4, and 5 that will be addressed during the research portion.

COMMISSIONER WILHELM: Actually, 4.4 is dealt with, too.

COMMISSIONER McCARTHY: 4.4 and 4.5 are also part of what we adopted earlier.

CHAIR JAMES: That sounds good to me.

COMMISSIONER LANNI: So 4.1 and 4.2 are the only open ones.
COMMISSIONER McCarthy: 4.6 we have talked about.

CHAIR JAMES: The Commission recommends that gambling -- yes, that has been done. 4.7, I’m not sure that one has been appropriately dealt with. I will read it and see if there is a motion. 4.7, the Commission recommends to the National Council on Problem Gambling that they should collect information annually on each state’s pathological gambling treatment programs, including funding sources and levels, manner in which funds are allocated, numbers of people treated, and their outcomes.

COMMISSIONER McCarthy: May I just mention that one of the research recommendations that is coming up gives that responsibility to an appropriate federal agency that already is in this area. SAMHSA, which annually surveys all mental health providers in the country -- and there are a series of questions asked, trying to define the kinds of treatment, the number of gambling slots, and so on, so --

CHAIR JAMES: Right. With that, and not hearing a motion, we’ll go to 4.8. The Commission recommends that gambling establishments should be required to issue annual reports regarding the number and nature of the interventions undertaken to address problem pathological gambling issues with patrons.

COMMISSIONER DOBSON: I move the passage of that item.

CHAIR JAMES: Is there a second? The motion fails.

9, the Commission recommends that the American Gaming Association should be commended for its efforts.

COMMISSIONER LANNI: I think that -- didn’t we do that this morning?

CHAIR JAMES: Yeah, we did do that one this morning.

COMMISSIONER WILHELM: This is, in fact, a different one.
CHAIR JAMES: This is a different one. You will see it again.

Hearing no motion, the Commission recommends that family members should be able to request that a fellow family member be excluded from gambling facility solicitations and marketing promotions. Is there a motion?

Hearing none, the Commission recommends that each state should commission a study to determine what percentage of gambling patrons at the different venues -- land-based casinos, riverboat casinos, video poker outlets, pari-mutuel lottery outlets, etcetera -- legal in that state meet the criteria for problem -- pathological problem gambling. Such research should also determine what percentage of revenues from each form of gambling is derived from problem pathological gamblers -- patrons.

COMMISSIONER BIBLE: Did you pick that up in any of the research recommendations?

COMMISSIONER McCARTHY: No. Although I do think, at least on the first -- there are two suggestions there. I am inclined to agree with the first and not the second. But I do think given the past discussion we had on patron surveys, and I’m thinking particularly of the life sample on the horse racing industry, which, of course, was damming but had to be doubted because of the size of the sample, that there is a lot of merit on trying to conduct patron surveys as they apply to all forms of gambling, government owned and run or private sector owned and run.

But to tell you the truth, I had so much in the research -- Mr. Lanni suggested the federal income tax would go
May 17, 1999  N.G.I.S.C. Washington, D.C. Meeting

up to 50 percent if we did all of the research that I’m proposing. I hadn’t -- I didn’t include this one.

COMMISSIONER BIBLE: Well, it seems to me at least the first part of this you have made some suggestions that states develop programs, and as part of the program development --

COMMISSIONER McCARTHY: Yes.

COMMISSIONER BIBLE: -- it would seem reasonable that they conduct some incidence and prevalence surveys to determine the need for the program.

COMMISSIONER McCARTHY: This could be a part of the prevalence survey.

COMMISSIONER BIBLE: That would seem to me to be --

COMMISSIONER McCARTHY: This is recommendation number 1 to the states.

COMMISSIONER BIBLE: That would seemingly be where it should be included.

COMMISSIONER WILHELM: Yeah. 4.19, number 1, says exactly that, as we passed it earlier.

CHAIR JAMES: Yeah.

COMMISSIONER McCARTHY: And in the research, in Chapter 8 in the research proposals coming up, there is a specific -- the very first of three recommendations to states is on prevalence, or it could go in the section John just cited.

COMMISSIONER LANNI: It’s already there.

CHAIR JAMES: It’s already there.

COMMISSIONER McCARTHY: No, I don’t think it is. I mean, it is, but it needs to be enlarged to include the different forms of gambling. I don’t think that’s there.

COMMISSIONER LANNI: Just looking at the revised one that Leo just sent us --
CHAIR JAMES: In 4.9, 4.19.


COMMISSIONER WILHELM: 4.19 was rewritten to refer to all kinds of gambling operations. And one is just one of the things that is supposed to be done with the funding.

COMMISSIONER LANNI: Now I see what you mean. All of the gambling -- maybe we could change it to all forms of gambling operations, makes it clearer.

COMMISSIONER WILHELM: Well, 4.19 says on all gambling operations within its boundaries.

COMMISSIONER LANNI: All right. I’ll buy that.

CHAIR JAMES: So I’ve not heard a motion. Are we --

COMMISSIONER McCARTHY: Why don’t you give us a chance to work on the language, Madam Chair, and just table it momentarily and let’s --

CHAIR JAMES: It seems to me that we have come to the conclusion at least the first half of that is taken care of. And so what we may need to do is to work on the second half of that.

COMMISSIONER McCARTHY: I didn’t get that. I think there was some difference in whether the language --

COMMISSIONER LANNI: No.

CHAIR JAMES: No.

COMMISSIONER LANNI: I’ve agreed that John is correct.

CHAIR JAMES: He agreed to that.

COMMISSIONER McCARTHY: Oh. That it -- okay.

CHAIR JAMES: So that only leaves the second half of that.

COMMISSIONER WILHELM: Which Leo said he didn’t support.

CHAIR JAMES: Which you do not support, Leo?
COMMISSIONER McCARTHY: Well, I’d like to hear an explanation of it. Who is this from? Is it from -- I think we tried to wrestle with that in the Research Subcommittee a few times and had some difficulty getting our arms around it. I don’t know how --

CHAIR JAMES: Well, let me tell you where I think we are on this. If we can agree that the first half of that is taken care of, and I don’t hear a motion for the second half of that, then it would die.

COMMISSIONER McCARTHY: Okay.

CHAIR JAMES: 4.12, the Commission recommends that each gambling facility must implement procedures to allow for voluntary self-exclusion, enabling gamblers to ban themselves from a gambling establishment for a specified period of time.

COMMISSIONER DOBSON: So moved.

COMMISSIONER LANNI: Second.

CHAIR JAMES: It has been moved and seconded. Any discussion?

COMMISSIONER LOESCHER: Question.

CHAIR JAMES: Call for the question.

COMMISSIONER LANNI: Before you do, I do have one question about the limitation for a specified period of time.

CHAIR JAMES: I think, Terry, that came up as a result of some discussion about the fact that someone may have a problem dealing with it. And is it for life? Is it for 20 years? Is it for five years? Ten years?

COMMISSIONER LANNI: Right.

CHAIR JAMES: And we couldn’t come to any conclusion in our discussion about what that time period should be, so we left it with a specified period of time.
COMMISSIONER LANNI: I’d prefer there not be a limitation, but I will support it if that’s --

COMMISSIONER DOBSON: That statement comes from the individual himself, though, doesn’t it? I mean, he is the one that --

COMMISSIONER LANNI: Right.

COMMISSIONER DOBSON: -- establishes what that period is.

COMMISSIONER BIBLE: Well, where we talked about this, put it in context, you suggested that the Missouri plan be adopted by the Commission. And that’s irrevocable. I believe it’s a lifetime prohibition. It works well because it’s a riverboat state and you -- and access is controlled. It’s done and maintained by the state.

The way this reads, it would have to be every gambling facility. So in the State of Nevada, if somebody wanted to ban themselves, they’d have to send 2,500 letters, I guess.

CHAIR JAMES: We had called for the question. All in favor?

(Ayes.)

Any opposed?

(No response.)

Any abstentions?

(No response.)

4.13, the Commission recommends that every gambling facility employee should be required to receive training from a credentialed outside entity to recognize and address pathological problem gambling. I think that was taken care of. Yeah, both 13 and 14 have been dealt with.
COMMISSIONER BIBLE: And 15 was coupled with 14, so that gets --

CHAIR JAMES: What were you saying about 15, Bill?

COMMISSIONER BIBLE: 15 was coupled with 14.

COMMISSIONER LANNI: It’s in, I think, the new 16.

COMMISSIONER BIBLE: And elements will get picked up in the research calendar.

CHAIR JAMES: I just want to look at 4.16 to make sure.

COMMISSIONER McCARTHY: Madam Chair?

CHAIR JAMES: Commissioner McCarthy?

COMMISSIONER McCARTHY: I just looked back at the language of 4.19 as to whether or not the first part of 4.11 is included. I don’t think it is. 4.11 asks for a determination of the percentage of gambling patrons at the different kinds -- the different forms of gambling. That language is not included in 4.19.

COMMISSIONER BIBLE: Could you amend that?

COMMISSIONER McCARTHY: I’m perfectly amenable to putting it in 4.19.

COMMISSIONER BIBLE: That seemed to be the logical place to do it. But you have --

COMMISSIONER McCARTHY: Yes, I think it is.

COMMISSIONER BIBLE: But you also ought to write it in such a manner that it’s not seen as a limitation. So if people want to collect other forms of data -- for instance, for stratification for income, for ethnic origin, for geographic locations, or something of that nature -- they could do it.

COMMISSIONER McCARTHY: Let us have a crack at working up the language, if I may.

CHAIR JAMES: Well, let’s --
COMMISSIONER McCARTHY: I have the sense of the Commission.

CHAIR JAMES: Let’s see if we can go ahead and do that and put that one to rest.

COMMISSIONER McCARTHY: We could do it now.

CHAIR JAMES: You can do it right this --

COMMISSIONER McCARTHY: Well, I want to avoid doing what Bill Bible just raised.

CHAIR JAMES: Where are you suggesting that language go specifically in 4.19? In the preamble?

COMMISSIONER BIBLE: Well, 4.19.1 is where we’re talking about research.

CHAIR JAMES: Right.

COMMISSIONER McCARTHY: Will you give me just a couple of minutes?

CHAIR JAMES: I will give you a couple of minutes. And, Leo, in case we get to rolling here, if you raise your hand and --

COMMISSIONER McCARTHY: Okay. Thanks.

CHAIR JAMES: -- remind me.

I am looking at 4.15 to see where that is incorporated. I’m told that it is, but help me find it. Bill, I think you said it’s --

COMMISSIONER LEONE: I think Bill meant that it was related to 4.14.

COMMISSIONER BIBLE: It had mentioned 4.14.

CHAIR JAMES: Oh, that it was related.

COMMISSIONER LEONE: A portion of that recommendation is different, and that’s not -- I don’t know where we want to go with it, but that’s not in the McCarthy package.
COMMISSIONER BIBLE: Yeah. Well, that’s not included in there.

COMMISSIONER LEONE: No. There is nothing about essentially defaulting to the Federal Government, which is the really novel part of it.

COMMISSIONER BIBLE: Well, what 4.15 would do is 4.15 would create a -- essentially, a quasi-federal oversight so that if the programs that are operated are not operated efficiently that the Federal Government would have the ability to come in and operate the program.

CHAIR JAMES: For the purposes of those who are trying to follow this discussion along with us, let me read 4.15. The Department of Health and Human Services should periodically evaluate and report to Congress on all state programs provided for under recommendation 4.14, and should be required, if they find the programs are not adequate, to recommend the establishment of an adequate program, operated by the Federal Government and funded from either federal general revenues or all sectors of the gambling industry.

All standards used to determine program adequacy should be objective, scientific, and clinically based, and clearly articulated. HHS should have the ability to exempt any state which is operating an adequate program from the federal program and any funding requirements. The state should have the ability to contest any decision by HHS.

That’s the recommendation that’s before us. Is there --

COMMISSIONER LEONE: Who did this? Who put it forward? Bill?

CHAIR JAMES: Can you --
COMMISSIONER BIBLE: Yeah, I submitted this recommendation, coupled with 4.14. And what it does is it would provide kind of a standby federal oversight in the event the states refused to act. And I just recently read an article, and I sent it around to a number of people, where the State of Montana considered programs for problem gamers and rejected that particular program.

COMMISSIONER LEONE: I think -- I like the way this is structured, in that I think all of the incentive is for the states to do it themselves. Except for one thing. That if they don’t, it’ll be paid for by the Federal Government.

And so I just wonder if there isn’t a way to think -- if you wanted to do this, and you wanted to have the default mechanism, I wouldn’t want the incentive to be, well, heck, let’s default, and then the feds have to worry about paying for this program. We won’t have to worry about paying for it anymore.

And it may be just a language -- it may be a way of changing it.

COMMISSIONER BIBLE: That sounds like a new tax.

COMMISSIONER LEONE: No.

CHAIR JAMES: Don’t even try it.

COMMISSIONER WILHELM: But this also says, "Or all sectors of the gambling industry," as the source of money which --

COMMISSIONER LEONE: Oh, I know, but it’s still -- you know, the default ought to be a threat. We shouldn’t want the feds to come in. You should see that as unattractive, to have them messing -- I mean, I’m just going with -- I mean, I’m not -- this isn’t my recommendation.
But I think if you’re going to go in this direction, you want -- usually, the way federal programs work, as you know, is if the feds have to come in, the state isn’t off the hook financially. Quite the contrary.

CHAIR JAMES: Bill, do you want to work on that or --

COMMISSIONER BIBLE: What I was thinking as a model is that in the Bank Secrecy Act there is a provision that the Federal Government implement and manage those programs, and those are programs that are designed to prevent and detect money laundering. States have the ability to operate their own programs if they are substantially similar, in which case there is no federal precedent.

CHAIR JAMES: Bill, would you like to work on that language just a little bit?

COMMISSIONER BIBLE: Okay. I’ll take a look at it.

CHAIR JAMES: To see if you can get the sense of what the Commission is saying.

COMMISSIONER WILHELM: Bill, 4.15 is just as compatible with the McCarthy package as it is --

COMMISSIONER BIBLE: It would be. It would be, yes.

CHAIR JAMES: And it may be that your recommendation will be that we add it there.

COMMISSIONER BIBLE: The McCarthy package is -- it’s an expansion, to a large extent, of 4.14.

COMMISSIONER WILHELM: Yes.

CHAIR JAMES: With that, we’re over to 4.16, which we now have done.

COMMISSIONER LEONE: No, I think he’s working on the language.
CHAIR JAMES: Yeah. He’s working on that. But I meant we’ve discussed it this morning.

COMMISSIONER LEONE: Right.

CHAIR JAMES: 4.17. So we’re done with that section.